VZCZCXRO3364 PP RUEHDBU RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR DE RUEHSQ #0779/01 2291439 ZNY EEEEE ZZH P 171439Z AUG 06 FM AMEMBASSY SKOPJE TO RUEHC/SECSTATE WASHDC PRIORITY 5050 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE RHMFISS/CDR TF FALCON RHMFISS/CDRUSAREUR HEIDELBERG GE RUEAIIA/CIA WASHINGTON DC RUEKDIA/DIA WASHINGTON DC RHMFISS/HQ USEUCOM VAIHINGEN GE RUEKJCS/JOINT STAFF WASHINGTON DC RUEKJCS/SECDEF WASHINGTON DC RUESEN/SKOPJE BETA RUEHSQ/USDAO SKOPJE MK RUCNDT/USMISSION USUN NEW YORK 2045 RUEHPS/USOFFICE PRISTINA 4133 RHEHNSC/WHITE HOUSE NATIONAL SECURITY COUNCIL

UNCLAS E F T O SECTION 01 OF 06 SKOPJE 000779

SIPDIS

NOFORN SENSITIVE SIPDIS

SUMMARY.

STATE FOR EUR/SCE STATE PLS PASS TO USAID

E.O. 12958: DECL: 08/17/2016

TAGS: PGOV PINR PREL MK

SUBJECT: MACEDONIA: YOUNG TECHNOCRATS DOMINATE NEW

GOVERNMENT LINEUP

REF: SKOPJE 735 AND PREVIOUS

Classified By: P/E CHIEF SHUBLER, REASONS 1.4(B) AND (D).

11. (SBU/NF) Prime Minister-designate Gruevski's proposed cabinet lineup, which the parliament is likely to approve on August 25, is comprised of mostly young technocrats without extensive bureaucratic experience. That bodes well for a fresh start, with Gruevski likely to exercise greater control over the ministries than previously was the case with the Social Democratic Union of Macedonia (SDSM)-led government. It also suggests greater possibilities for enhanced inter-ministerial cooperation and coordination. If his relatively green ministers take too long before focusing on priorities or are unable quickly to win the confidence of their subordinates, however, that could delay the reform process and negatively impact Macedonia's Euro-Atlantic integration prospects. End Summary.

## PM-DESIGNATE ANNOUNCES NEW CABINET LINEUP

12. (U) Prime Minister-designate Gruevski announced on August 14 his proposed new government following te conclusion of weekend consultations with his coalition partners. The cabinet lineup includes members of Gruevski's Internal Macedonian Revolutionary Organization -- Democratic Party for Macedonian National Unity (VMRO-DPMNE) party as well as coalition members Democratic Party of Albanians (DPA -- ethnic Albanian partner), left-of-center New Social Democratic Party (NSDP), the Socialist Party, and the Liberal Party. Some candidates are only loosely affiliated with VMRO-DPMNE. On August 25 the parliament will decide, by simple majority vote, whether to accept both the list and Gruevski's proposed governing program, which focuses on economic development and combating corruption and organized crime.

PRIME MINISTER: NIKOLA GRUEVSKI (VMRO-DPMNE)

- ¶3. (U) Gruevski was elected President of the center-right VMRO-DPMNE in 2003. He began his professional life as a local bank manager in 1995. When his party won the 1998 parliamentary elections, Gruevski was appointed a minister without portfolio. He served a brief stint as Trade Minister in 1999, then moved over the same year to head the Finance Ministry, where he served until 2002. Born in 1970 in Skopje, Gruevski speaks English well. Recently divorced, he is a former boxer and avid basketball player. He was one of the first stockbrokers in Macedonia when the country's fledgling stock exchange opened in 1996.
- 14. (SBU/NF) Gruevski's leadership style is highly centralized, and he often comes to meetings unaccompanied and never takes notes. He relies on a handful of mostly younger technocrats and intellectuals for policy advice. A tough external shell masks occasional bouts of insecurity and a fear of being upstaged by subordinates, according to some local analysts. That may explain why he has chosen younger, trusted associates unlikely to challenge him openly to head most of the key cabinet positions.

DEPUTY PM FOR ECONOMIC AFFAIRS: ZORAN STAVRESKI (VMRO-DPMNE)

15. (U) Currently working as a senior economist at the World Bank in Washington, Stavreski began his professional life as a car dealer following his university graduation in 1988. He joined the National Bank of Macedonia in 1993, climbing the institutional ladder to become director of the bank's research department in 1997. In 2000 he moved to the Ministry of Finance, where he served under Gruevski as an undersecretary until 2001.

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16. (U) With an M.A. in monetary economics, Stavreski's expertise is in monetary policy and banking. He participated in a UNDP-led project to develop a long-term economic development strategy for Macedonia, and has been involved in past government negotiations with the IMF and World Bank. Born in 1964, Stavreski is married to a former high-ranking National Bank official. He is fluent in English.

DEPUTY PM FOR FRAMEWORK AGREEMENT IMPLEMENTATION (AND HEALTH MINISTER): IMER SELMANI (DPA)

17. (SBU) Currently serving his second term as mayor of Saraj municipality, Selmani is a moderate and respected member of DPA. He holds an undergraduate degree in medicine, but since 1992 has run a private company that deals in petroleum products. Selmani is a popular mayor with excellent managerial skills, having implemented major infrastructure improvements in the municipality through public-private partnerships. Born in 1968 in Skopje, Selmani is married. He understands English, but speaks it with difficulty.

DEPUTY PM FOR EURO-INTEGRATION: GABRIELA KONEVSKA-TRAJKOVSKA (VMRO-DPMNE)

- 18. (U) A lawyer and legal expert on combatting organized crime, Konevska served from 2000-2002 as Director of the Regional Center for Fighting Organized Crime in Bucharest, a program sponsored by the SECI Initiative. From 2003-2004 she headed the international mission to the Stability Pact's Secretariat for the Fight Against Organized Crime in Bucharest. She was appointed President of the NGO Transparency International-Macedonia in 2006, following a one-year stint on the faculty of the University of New York in Skopje (unrelated to NYU), where she lectured on EU law. She also has served as the political adviser to Stability Pact Coordinator Erhard Busek.
- 19. (U) Born in 1971, Konevska is married and has

participated in extensive training in the U.S. and elsewhere, including U.S. Secret Service and FBI courses, EUROPOL training, and training at the ILEA Academy in Budapest. Konevska speaks fluent English, and also speaks French and Romanian.

DEPUTY PM FOR AGRICULTURE AND EDUCATION: ZIVKO JANKULOVSKI (NSDP)

110. (U) Currently an NSDP Vice President, Jankulovski's political career began with his election to the SDSM Presidency in Bitola in 1994. He was also elected an MP in 1994, and served as a member of the Committee on Agriculture. He holds a PhD in agricultural studies and has worked as a university professor since 1991. Born in 1956 in Krusevo, Jankulovski speaks English and French.

MINISTER OF FOREIGN AFFAIRS: ANTONIO MILOSOSKI (VMRO-DPMNE)

- 111. (U) Currently VMRO-DPMNE's chief spokesman and a key Gruevski adviser, Milososki was the VMRO-DPMNE-led government spokesman from May 2000 to September 2001, a period covering the country's internal armed conflict. Prior to that, he served in the government of Ljupco Georgievski. After leaving government, Milososki went to Germany, where he earned an M.A. in European Integration studies. He began work in 2002 on a PhD in political science (his dissertation topic is Macedonian-Greek relations) at the University of Duisburg in Germany.
- 112. (SBU) Milososki was known during his earlier student days as a nationalist with hardline views against including Albanian-language instruction at the national university in

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Skopje. He has moderated those views since then, according to local observers. Many remember him, however, as the harsh, ethnically divisive voice and face of the government in 2001. His aggressive statements as DPMNE spokesman during the 2006 campaign did not suggest any mellowing, but rather a return to the past. In addition to founding the "Youth Euro-Atlantic Forum," he has worked as a regular columnist for the local daily "Dnevnik," and participated in an international leadership and economic development seminar sponsored by Harvard University. Born in Tetovo in 1976, Milososki is married to an electrical engineer. He speaks fluent English and German.

# MINISTER OF DEFENSE: LAZAR ELENOVSKI (NSDP)

- 113. (U) Although he is an NSDP ministerial candidate, Elenovski was the founder in 1992 of a youth movement under the umbrella of the Social Democratic Union of Macedonia (SDSM). He also founded the local NGO "Young Europeans for Security" in 1995. Elenovski worked from 2001 to 2005 as Deputy Chief Executive Officer of Skopje's public transport enterprise, serving concurrently as Secretary General and then President of the Euro-Atlantic Council of Macedonia. He was a member of the SDSM-led government's working group on NATO membership in 2005.
- 114. (U) Born in 1971 to an ethnic Albanian mother and ethnic Macedonian father, Elenovski speaks English well, and is fluent in Albanian and Serbian. He served a 12-month stint as a soldier assigned to an anti-aircraft battery in Croatia in 1990 as part of his military service obligation. Elenovski holds an M.A. in economics.

MINISTER OF INTERIOR: GORDANA JANKULOSKA (VMRO-DPMNE)

115. (SBU) One of VMRO-DPMNE's brightest young political talents, Jankuloska served as legal adviser and chief of cabinet under Gruevski in the Finance Ministry from December 2000 to July 2002. After the VMRO-DPMNE-led government was ousted in the 2002 elections, Gruevski tapped Jankuloska as his chief of cabinet in the VMRO-DPMNE

president's office. She then was appointed secretary general of the party in September 2004. In local elections in 2005 she was elected a Skopje city councilor.

116. (SBU/NF) Born in Ohrid in 1975, Jankuloska has strong managerial and organizational skills. She is a close Gruevski confidant, but is not considered to be a strong player on key policy decisions. She has no police or law enforcement experience. She speaks excellent English, having earned an advanced law degree at a British university, and also speaks some German.

MINISTER OF FINANCE: TRAJKO SLAVESKI (VMRO-DPMNE)

- 117. (U) A VMRO-DPMNE Vice President since 2004, Slaveski is one of Gruevski's closest advisers. From 2000-2002, he served as a senior adviser to Gruevski in the Finance Ministry, and played the lead role in drafting the country's National Poverty Reduction Strategy. He also served as Minister of Development in the VMRO-DPMNE-led government from 1999-2000.
- 118. (U) Holding a PhD in economics, Slaveski was a Fulbright Fellow at Harvard University from 1989-1990 and works as a professor of economics at Cyril and Methodius University in Skopje. He was a visiting professor at Arizona State University in 1997. Slaveski is a prolific author and serves as president of the Executive Board of the local Association for Modern Economy. Born in Ohrid in 1960, he is married to a banker. His daughter is a communications student in Tempe, Arizona. He speaks fluent English.

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# MINISTER OF JUSTICE: MIHAJLO MANEVSKI (VMRO-DPMNE)

119. (SBU) Currently the President of the Macedonian Anti-Corruption Commission and the most seasoned and senior of the candidates for ministerial posts, Manevski is a retired deputy chief public prosecutor. As a USAID contractor, he helped establish the financial police in the Ministry of Finance. He served as Minister of Justice for Macedonia in the former Yugoslavia. Loosely affiliated with VMRO-DPMNE, he has accused the SDSM-appointed chief public prosecutor of failing to take action in several high-profile corruption cases. Born in 1937, he is married to an appellate court judge, Manevski enjoys a positive reputation in the international community. He does not speak English.

MINISTER OF AGRICULTURE, FORESTRY AND WATER: ACE SPASENOVSKI (SOCIALIST PARTY)

120. (U) A trained agronomist who currently heads the Swedish Guaranty Fund in Macedonia, Spasenovski enjoys a positive reputation among Ministry of Agriculture contacts as someone "who finally understands something about agriculture." From 1999-2002, Spasenovski was the owner of the "Agro Consulting" firm. He worked for the World Bank from 1997-1999 as a field counselor in the Ministry of Agriculture, and also served as a consultant to a local agricultural pharmacy. He owned a milk production operation in the early 1990s. Born in 1969 in Kicevo, Spasenovski is married and is a qualified karate trainer. He speaks English and some Albanian.

MINISTER OF LABOR AND SOCIAL POLICY: LJUPCO MESKOV (LIBERAL PARTY)

121. (SBU/NF) A former Director of the Pension and Disability Insurance Fund (1998-2002), Meskov came under a cloud in 2003 when he was accused by the SDSM-led government of abuse of official position. Meskov was first elected an MP in 1994. He was re-elected in 1998, 2002, and 2006. He is a member of the Liberal Party's Executive

Committee, and is a close associate of LP President Stojan Andov. Born in 1948, he holds a law degree from Cyril and Methodius University in Skopje.

MINISTER OF TRANSPORT AND COMMUNICATIONS: MILE JANAKIESKI (VMRO-DPMNE)

122. (U) An economist currently heading the Skopje waterworks, Janakieski served under Gruevski in the Ministry of Finance from 1999-2004, eventually working in the Department for Macroeconomic Affairs from 2002-2004. Following his election to the Skopje City Council in 2005, he was appointed to head the public water supply utility. Janakievski is a graduate Cyril and Methodius University's Prilep branch, where he specialized in economics. He speaks fluent English.

MINISTER OF EDUCATION: SULEIMAN RUSHITI (DPA)

123. (SBU) A theater director and actor by training, Rushiti has served as one of DPA's vice presidents since 2002. From 2003 to 2005, he was DPA's spokesman. A moderate and an intellectual, Rushiti once headed DPA's department for culture, youth, sports, and information. He is likely to be a progressive, reformist minister. Born in Gostivar in 1972, Rushiti speaks English and German well, and also speaks some Italian.

MINISTER OF ECONOMY: VERA RAFAJLOVSKA (NSDP)

124. (U) Director of her own consulting and auditing agency, and chief editor of a local magazine, Rafajlovska is an expert on accounting and tax issues. She has extensive

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experience in the education and training of local accounting and finance staff in Macedonian companies, and has written or co-authored textbooks and manuals on accounting and taxes. She currently serves as Deputy President of the Association of Certified Auditors of Macedonia. Born in 1947 in Bitola, Rafajlovska holds an undergraduate degree in economics from Cyril and Methodius University in Skopje.

MINISTER OF CULTURE: ILIRJAN BEKIRI (DPA)

125. (U) Born in 1968 in Tetovo, Bekiri holds an advanced degree in fine arts from Pristina University. Since 1998, he has worked as a professor of fine arts at Tetovo University. Although he is a DPA member, he has never held a leadership position in the party.

MINISTER OF LOCAL SELF-GOVERNMENT: ZORAN KONJANOVSKI (VMRO-DPMNE)

¶26. (SBU/NF) Konjanovski currently serves as President of the Bitola City Council. A relative unknown, he is likely to be a placeholder, and is expected to give up his ministry if Gruevski succeeds in persuading the ethnic Albanian opposition Party for Democratic Prosperity (PDP) to join his coalition. A trained mechanical engineer, Konjanovski has worked since 1999 for a public enterprise in Bitola. Konjanovski was elected to the Bitola city council in 2005 and is a long-time member of VMRO-DPMNE. His lack of longer-term engagement in local government affairs could be a handicap in this sensitive and important post.

MINISTER OF ENVIRONMENT: IMER ALIU

127. (SBU) Born in 1977 in Tetovo, Aliu is DPA's chief spokesperson and is close to DPA Vice President Menduh Thaci. He holds a B.A. in law and currently is enrolled in the public administration M.A. program at the Southeast European University in Tetovo. Aliu lacks bureaucratic management experience and has no background in

environmental affairs. He speaks some English.

#### MINISTERS WITHOUT PORTFOLIO

¶28. (SBU) Gruevski also plans to nominate as ministers without portfolio responsible for attracting foreign investments two Macedonian-Americans currently living and working in the United States -- Gligor Taskovic, an executive with the U.S.-based AMBO (trans-Balkan pipeline) Corporation, and Vele Samak, an executive with Microsoft in Seattle. Samak is the son of Blagoja Samakovski, owner of the Macedonian firm MIKROSAM which has been implicated in illegal proliferation-related transactions. In addition, Gruevski has offered a minister without portfolio position to Adnan Qahil, President of the Party of Turks in Macedonia, who held a similar position in a previous VMRO-DPMNE government. Finally, Gruevski plans to create a Minister for Information Society position and to offer it to Ivo Ivanovski, a Macedonian-American currently working on IT issues for the US firm Plaskolite Inc., in Columbus, Ohio.

## COMMENT

129. (SBU/NF) By proposing a cabinet of mostly young, enthusiastic and well-educated "thirty-something" technocrats, some of them without any substantial bureaucratic experience, Gruevski appears to be trying to ensure that he will be able to exert greater control over his ministries than his predecessor -- PM Buckovski -- was able to do. By surrounding himself with close party associates in key ministries (Foreign Affairs, Interior, Finance, Economic Affairs) he probably hopes to ensure a

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loyal team that can focus on his program priorities of economic development and fighting corruption and organized crime. Inter-ministerial cooperation and coordination should be easier in that environment, and politically-motivated turf battles less likely.

130. (SBU/NF) At the same time, the relatively junior status of many of Gruevski's ministers could make it difficult for them, initially at least, to earn the trust of their subordinates and to inspire confidence in their leadership qualifications. That could mean a slow start in getting the reform process underway, and could require frequent intervention by Gruevski to keep his program on track in order to avoid damaging Macedonia's Euro-Atlantic integration prospects.

MILOVANOVIC